

Advocacy Recommends That TSA and the Coast Guard Re-assess the Costs/Alternatives to Their Proposed TWIC Rule

On July 5, 2006, the U.S. Small Business Administration's Office of Advocacy (Advocacy) submitted comments to the Transportation Safety Administration (TSA) and the U.S. Coast Guard on their joint *Proposed Transportation Worker Identification Credential (TWIC) Implementation in the Maritime Sector Rule* [71 Fed. Reg. 29396 (May 22, 2006)]. The proposed rule would implement Section 102 of the Maritime Transportation Security Act that requires the Secretary of Homeland Security to issue a biometric transportation security card to individuals with unescorted access to secure areas of ports, vessels, and other facilities. Individuals applying for the card would have to pay a fee and undergo a security threat assessment. The objectives of the proposed rule are to enhance the security of maritime facilities (by ensuring the identity of the TWIC holder) and to facilitate commerce (by reducing the number of separate credentials a holder must possess).

TSA and the Coast Guard have proposed to require a biometric card that includes a computer chip with personal and digital biometric information (i.e., fingerprint) about the holder and links to a centralized computer system maintained by TSA. Owners and operators of maritime facilities would need to obtain card "readers" and other equipment, while TSA would maintain and continuously update the database. The agencies estimate that 750,000 people would initially need to obtain a maritime TWIC and that the proposed rule would cost \$1.028 billion over ten years. It is assumed that the TWIC program could be expanded to cover other sectors over time.

A complete copy of Advocacy's letter to TSA and the U.S. Coast Guard is available at:
www.sba.gov/advo/laws/comments/.

- Small business representatives have expressed concern that the proposed rule fails to include cost considerations for many small businesses, including the maritime towing industry, the passenger vessel fleet, commercial truckers, and charter buses that operate at maritime facilities.
- Small business representatives have also expressed concern that the maritime TWIC, as proposed, does not eliminate the need for multiple credentials and is, accordingly, too costly and complex. Further, they have questioned whether the technology required to implement the proposed rule currently exists for such a large undertaking.
- Small business representatives are worried that the proposed rule could impede the ability of businesses to utilize "seasonal or temporary" workers, and they have questioned whether the proposed rule will actually enhance security and promote commerce as intended.

For more information about rule, please visit Advocacy's Web page at www.sba.gov/advo or contact Bruce Lundegren, Assistant Chief Counsel, at (202) 205-6144 or bruce.lundegren@sba.gov.